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by Yuqian Lu, Marc Frenette and Grant Schellenberg

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... not applicable
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0^s value rounded to 0 (zero) where there is a meaningful distinction between true zero and the value that was rounded
^{p} preliminary
^{r} revised
x suppressed to meet the confidentiality requirements of the *Statistics Act*
^{E} use with caution
F too unreliable to be published
* significantly different from reference category ($p < 0.05$)

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Social Assistance Receipt Among Refugee Claimants in Canada

by Yuqian Lu, Marc Frenette and Grant Schellenberg, Social Analysis and Modelling Division

This article in the *Economic Insights* series examines social assistance receipt among the refugee claimant population in Canada. A longer, more detailed study is also available.[1]

Introduction

Refugee claimants are people who request refugee protection upon or after arriving in Canada. They receive Canada's protection if they are found to be Convention refugees as defined by the United Nations 1951 Geneva Convention Relating to the Status of Refugees, or when they are found to need protection based on risk to life, risk of cruel and unusual treatment or punishment, or danger of torture.[2] During the latter part of the 2000s, the number of refugee claimants in Canada ranged from 115,000 to 130,000.

This article presents information about the receipt of social assistance by refugee claimants who initiated their claim for protection during the 1999-to-2010 period. Until now, no data source has been able to supply information on social assistance receipt among the refugee claimant population.

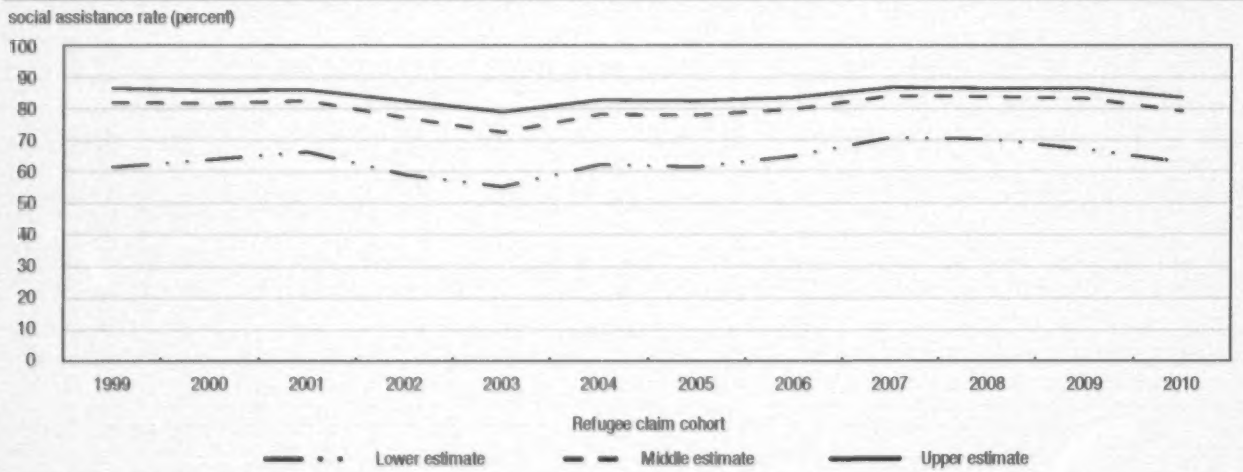
Most refugee claimants could be linked to tax data and social assistance records and then grouped into families (social assistance eligibility is determined at the family level). The study examines: (1) the percentage of refugee claimants who received social assistance; (2) the incidence of social assistance receipt by province of residence, country of citizenship, and family characteristics; (3) the evolution of social assistance receipt with time spent in Canada; and (4) expenditures on social assistance paid to refugee claimants.

Majority receive social assistance shortly after arrival

For approximately three-quarters of refugee claimants who arrived in Canada from 1999 to 2010, information about social assistance was available—that is, they could be linked to tax data and social assistance records, and families could be identified. The remaining one-quarter could not be linked, so no data on social assistance were available for these refugee claimants.

If it is assumed that none of the unlinked individuals received social assistance, the overall rate of social assistance receipt was about 65%, depending on the arrival cohort (the lower-bound estimate in Chart 1). Conversely, if it is assumed that all the unlinked individuals received social assistance, the rate of receipt was generally about 85% (the upper-bound estimate in Chart 1). The middle estimate in Chart 1—generally about 80%—is the social assistance rate estimated for refugee claimants for whom data were available.

Chart 1
Estimated rates of social assistance receipt in year *t*+1 by refugee claim cohort



Note: *t*+1: one year since start of refugee claim.
Source: Statistics Canada, Refugee Claimant Database.

1. See Lu, Frenette, and Schellenberg (2015).
2. See CIC (2013).

Unless otherwise stated, the middle estimate is used in the remainder of this analysis.

Rates highest in Quebec and Ontario, lowest in Alberta

In the year after they arrived in Canada, the vast majority of refugee claimants lived in one of four provinces: Ontario (53% to 70% depending on the year), Quebec (20% to 35%), British Columbia (3% to 8%), and Alberta (2% to 6%).

Rates of social assistance receipt were generally highest among refugee claimants in Ontario and Quebec (Chart 2). For example, among those who arrived in 2010, rates of social assistance receipt were 84% in Ontario and 79% in Quebec. In British Columbia and Alberta, the rates were 57% and 48%, respectively.

Social assistance receipt varied across the other provinces and the territories, but few refugee claimants settled in those areas.

Social assistance receipt also varied according to the country of citizenship of the refugee claimants (Chart 3). The country of citizenship of refugee claimants is also strongly associated with social assistance receipt. While there are variations over time, some trends hold throughout most of the study period. For example, at least 90% of those from Afghanistan, Colombia, the Democratic Republic of Congo, Eritrea, and Somalia collected social assistance income shortly after arrival. In the latter part of the 2000s, this list also included claimants from Hungary.

Rates of social assistance receipt were lower among refugee claimants from Bangladesh, Haiti, India, and Jamaica. The rates were particularly low among Jamaican claimants who arrived before 2007 (less than 30%). Since then, slightly more than 40% of Jamaican claimants have collected social assistance income shortly after arrival, but this was still well below the rates for any other group.

Rates of social assistance receipt varied by family composition, age of the oldest family member, and whether someone in the family held a work permit, but the associations were weaker. For example, among refugee claimants who arrived between 2005 and 2010, the rate was about the same, regardless of whether or not a family held a work permit: 82% and 84%, respectively.

Rates decline with time in Canada

Among refugee claimants whose claim remained open, the rate of social assistance receipt declined considerably over time (Chart 4). For example, among those who arrived in the early 2000s and whose claim was still active four years later, the rate ranged from 25% to 40%—about half what it had been the year after arrival. During the same period, about 8% of the Canadian population received social assistance income.

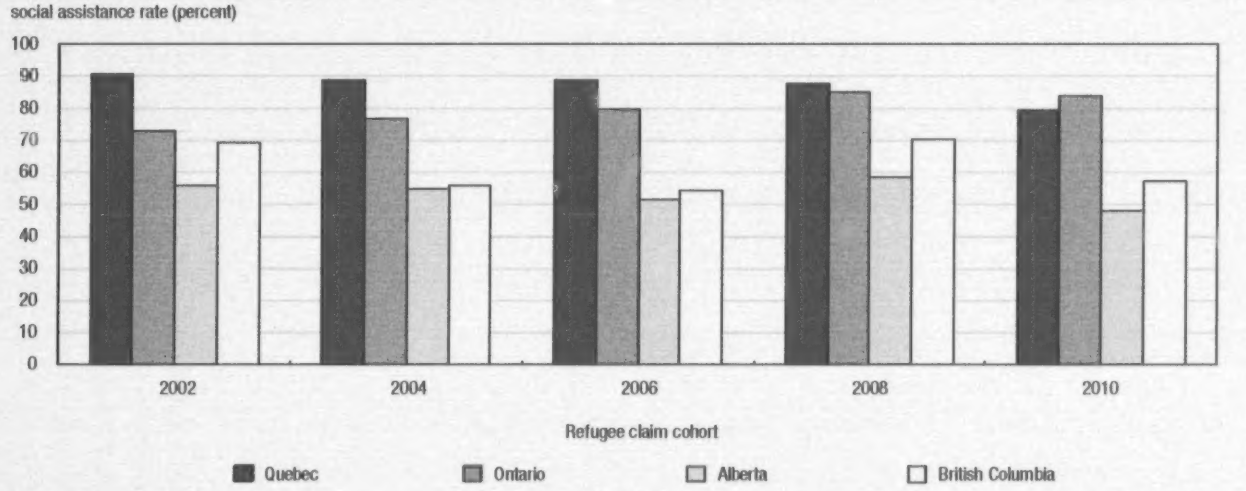
Less than 5% of total social assistance expenditures paid to refugee claimants

Although refugee claimant families are far more likely than the broader Canadian population to receive social assistance income, it is important to keep in mind that refugee claimants only represent about one-third of 1% of the total Canadian population. Overall, refugee claimant families receive less than 5% of total social assistance payments made in Canada (Table 1).

From 1999 through 2011, $10 billion to $13 billion were disbursed annually in social assistance payments in Canada. Of these totals, a minimum of $202 million to $338 million (1.9% to 3.2%) was paid to refugee claimants, depending on the year.

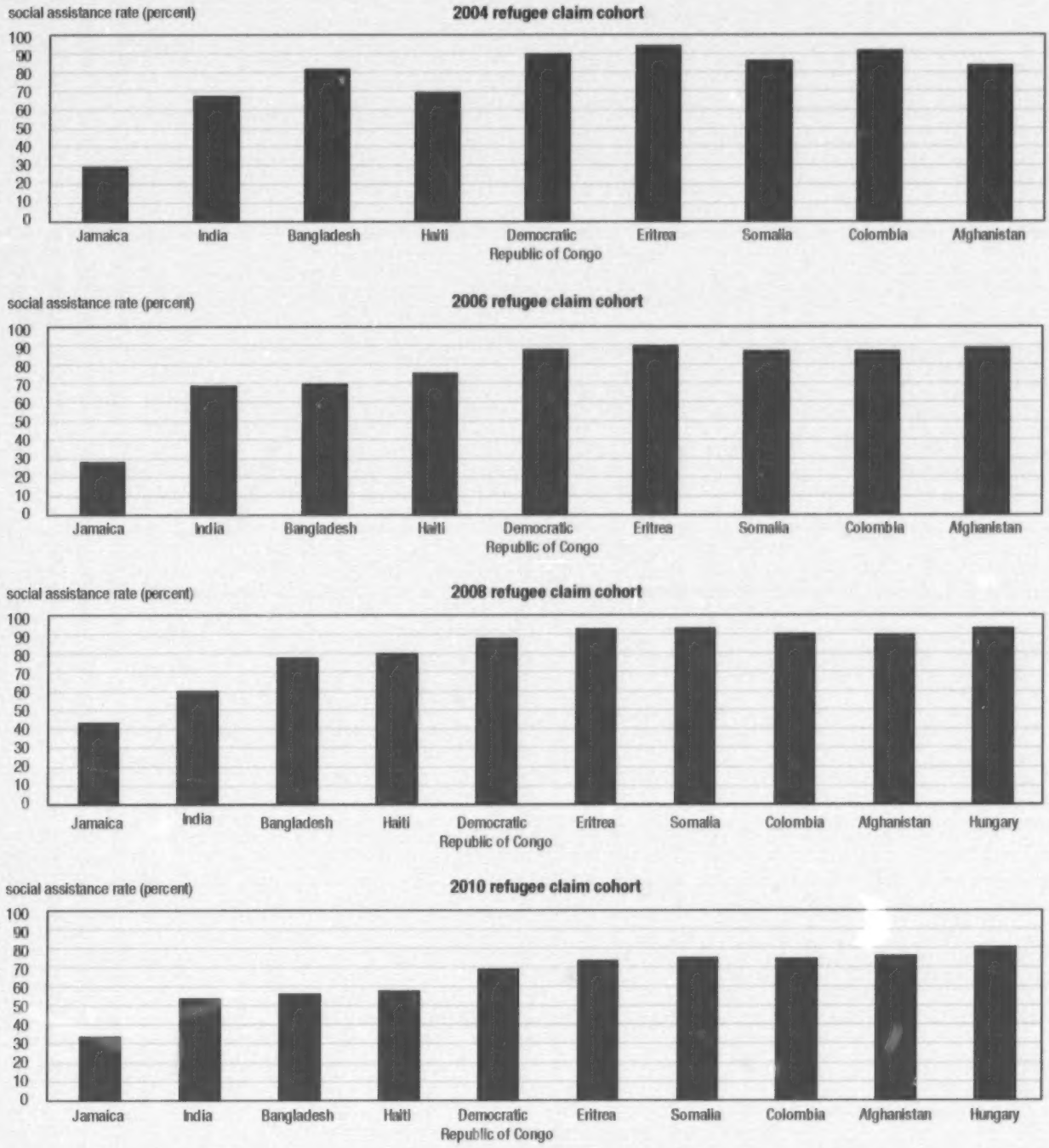
These estimates are likely conservative, since social assistance information was not available for about one-quarter of all refugee claimants.

Chart 2
Social assistance rates in year *t*+1, by selected province of residence and refugee claim cohort



Note: *t*+1: one year since start of refugee claim.
Source: Statistics Canada, Refugee Claimant Database.

Chart 3
Social assistance rates in year *t*+1, by selected country of citizenship and refugee claim cohort



Note: *t*+1: one year since start of refugee claim. Results for Hungary are suppressed in 2004 and 2006 to meet the confidentiality requirements of the *Statistics Act*.
Source: Statistics Canada, Refugee Claimant Database.

Assuming that social assistance receipt patterns were similar for linked and unlinked refugee claimants, the annual amounts paid to refugee claimants would have ranged from $284 million and $462 million, or 2.7% to 4.4% of total social assistance expenditures.[3]

Conclusion

Four major findings emerge from this study.

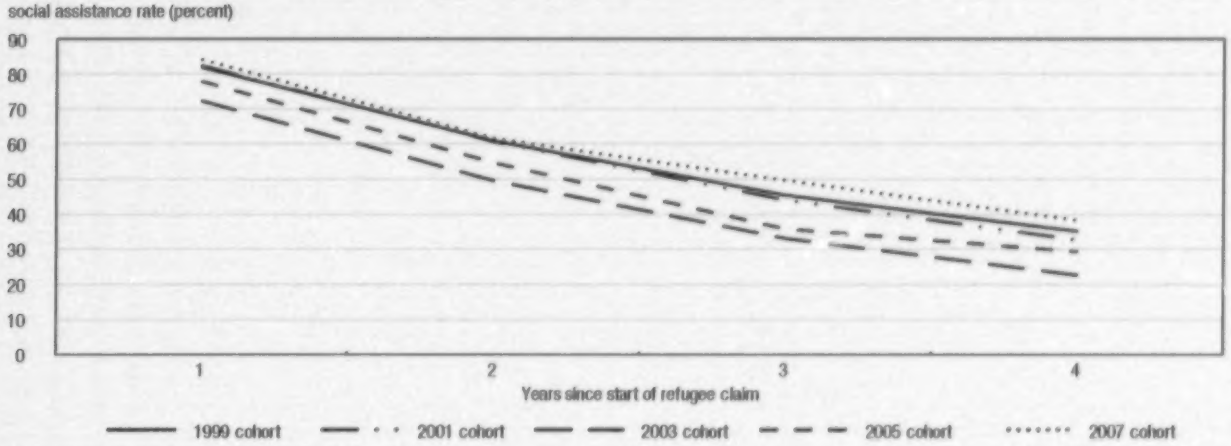
First, 65% to 85% of refugee claimants received social assistance shortly after arriving in Canada.

Second, rates of social assistance receipt among refugee claimants varied more by province of residence and country of citizenship than by family characteristics.

Third, the percentage of refugee claimants receiving social assistance declined considerably with time in Canada. However, four years after arrival, the rate was still three to five times higher than the rate for Canada overall.

Finally, estimates of the percentage of total social assistance expenditures received by refugee claimants ranged from 1.9% to 4.4%.

Chart 4
Social assistance rates 1 to 4 years since start of refugee claim, by selected refugee claim cohort



Source: Statistics Canada, Refugee Claimant Database.

Table 1
Social assistance benefits paid to refugee claimants by year, 1999 to 2011

Year	Total SA benefits (T5007 file)	Total SA benefits paid to RCs (T5007 file and T1FF)	Percentage of SA benefits paid to RCs (T5007 file and T1FF)	Predicted total SA benefits paid to RCs (T5007 file and T1FF, unlinked included)	Predicted percentage of SA paid to RCs (T5007 file and T1FF)
	2011 constant dollars	2011 constant dollars	percent	2011 constant dollars	percent
1999	12,720,599,370	236,875,624	1.9	355,145,983	2.8
2000	11,717,799,462	257,300,460	2.2	381,388,639	3.3
2001	11,111,833,301	302,774,927	2.7	432,057,737	3.9
2002	10,604,219,149	337,936,280	3.2	461,719,590	4.4
2003	10,251,014,042	323,237,824	3.2	442,453,451	4.3
2004	10,255,760,310	284,246,731	2.8	392,020,556	3.8
2005	10,268,147,571	240,181,185	2.3	331,527,714	3.2
2006	10,274,813,861	205,056,435	2.0	287,171,965	2.8
2007	10,422,332,544	201,605,857	1.9	283,756,988	2.7
2008	10,553,340,967	242,407,509	2.3	344,977,223	3.3
2009	11,624,450,454	324,633,550	2.8	443,310,191	3.8
2010	12,066,912,323	319,008,634	2.6	429,676,580	3.6
2011	12,192,859,489	290,680,087	2.4	397,842,359	3.3

Note: SA: social assistance; RCs: refugee claimants; T1FF: T1 Family File.
Source: Statistics Canada, Refugee Claimant Database.

3. These estimates are analogous to the middle estimates of the incidence of social assistance. Deriving upper-bound estimates is not as straightforward, since an upper bound would need to be established not only for the incidence of social assistance receipt, but also for the dollar amount received

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Citizenship and Immigration Canada (CIC). 2013. "Facts and Figures 2013 – Immigration overview: Permanent and temporary residents." *Facts and Figures*. Last updated June 15, 2015. Available at: http://www.cic.gc.ca/english/resources/statistics/menu-fact.asp.

Lu Y., M. Frenette, and G. Schellenberg. 2015. *Social Assistance Receipt Among Refugee Claimants in Canada: Evidence from Linked Administrative Data Files*. Analytical Studies Branch Research Paper Series, no. 369. Statistics Canada Catalogue no. 11F0019M. Ottawa: Statistics Canada.

Data sources and definitions

Data sources

The target population consisted of refugee claimants who arrived in Canada between 1999 and 2010. If any member of a family was identified as receiving social assistance, all individuals in that family were listed as having received social assistance.

This study is based on data from the Refugee Claimant Database, which comprises five linked administrative data files.

Refugee Claimant Continuum Database (RCCD): The RCCD contains socio-demographic and administrative information on refugee claimants. Refugee claimants were identified on the basis of their "yearly primary status" (as defined by Citizenship and Immigration Canada). The reference period for their claim was determined using the dates on which their claim was opened and closed (if applicable). A family identification number on the RCCD facilitated identification of all members of refugee claimant families (including minor children) in the year the refugee claim was initiated.

Linkage Control File (LCF): The Temporary Resident database from CIC does not contain the Social Insurance Numbers of temporary residents, and therefore, cannot be deterministically linked to taxation-based administrative files. To bridge this gap, the LCF from the Household Survey Methodology Division at Statistics Canada was used (more on this below).

T1 Family File (T1FF): The T1FF is a census of T1 personal income tax forms, with steps taken to construct family-level information for each tax year. The T1FF family concept is similar to the census family concept (parent[s] and co-resident children). The file includes demographic, earnings and income information, including a unique field for social assistance (SA) income. In families with two spouses present, the one with the higher net income must report the SA income on the T1 tax return. However, most individuals in families that receive SA income can be identified using the T1FF family-level identifier. If this was not possible, the family identification number from the RCCD file was used.

T5007 file: The T5007 file is derived from the T5007 Statement of Benefits forms issued by the provincial, territorial or municipal social service agencies making the payments. It is a summary of worker's compensation benefits and SA payments, or provincial or territorial supplements; for this project, only the latter is of interest. These are primarily basic social assistance (support payments that are not targeted at particular individuals, other than those in need) and support payments (supplements) for elderly and disabled individuals in need. Such payments are grouped together on the T5007 file, and are referred to as "social assistance" (SA) in this report. The individual who receives a T5007 form for SA reporting is the "principal claimant." This person can be any adult member of the family, not necessarily the same person who reports family SA income on the T1 form. Because the T5007 file contains no family information, it is not possible to construct family SA income from this file. However, once the T5007 file is linked to the T1FF, the SA income reported on the T5007 file can be aggregated at the family level.

Data quality assessment by Statistics Canada indicates that total aggregate SA income calculated from the T5007 file is somewhat higher than that calculated from the T1FF, with most of the difference resulting from undercoverage of SA recipients on the T1FF. This undercoverage has little impact on findings pertaining to SA use by the general population. However, undercoverage of T5007 SA recipients on the T1FF may have a larger impact on results for refugee claimants if this population (particularly refugee claimants who do not subsequently land) are disproportionately unlikely to file a T1 tax return.

T1 Historical (T1H) File: The T1FF is constructed using the T1 Personal Master Files compiled by the Canada Revenue Agency (CRA) 12 to 18 months after the end of each tax year. Therefore, it does not include the T1 returns of individuals who filed their taxes at a later date. The omission is relevant to this study, because refugee claimants may be more likely than the general population to file their T1 tax return late, owing to their (i) recent arrival in Canada, (ii) potential lack of knowledge of the Canadian tax system, (iii) low taxable income, and (iv) settlement challenges associated with involuntary dislocation from their country of origin. The T1 Historical Personal Master file is compiled by CRA approximately four years after the end of each tax year, and therefore, includes "late filers" as well as re-assessed T1 returns. T1H data are used to test the robustness of the main results in this paper by addressing under-coverage due to late filing.

The linkage methodology is described in detail in Lu, Frenette, and Schellenberg (2015).

Data sources and definitions (continued)

Definitions

Refugee claimants: These are individuals who "...request refugee protection upon or after arrival in Canada. A refugee claimant receives Canada's protection when he or she is found to be a Convention refugee as defined by the United Nations 1951 Geneva Convention Relating to the Status of Refugees and its 1967 protocol, or when found to be a person needing protection based on risk to life, risk of cruel and unusual treatment or punishment, or danger of torture as defined in the Convention Against Torture. A refugee claimant whose claim is accepted may apply in Canada for permanent residence. The application may include family members in Canada and abroad." (CIC 2013).

Social assistance: This information is available on the T5007 file, as well as the T1FF, and consists of basic social assistance (support payments not targeted at particular individuals, other than those in need) and support payments (supplements) for elderly and disabled individuals in need. Since social assistance eligibility is determined at the family level, all individuals in the family are considered to have received social assistance when at least one member receives it.